delicensing policy? This is my question, Sir.

SHRI MURASOLI MARAN: Sugar industry has not been delicensed. It is one of the candidates for delicensing. It is being considered by the Government, whether to delicense sugar industry or not. It has been under discussion for the last so many years. For example, in 1994, a Committee of Secretaries recommended delicensing of the sugar industry. Again, in 1995, the Standing Committee on Civil. Supplies and Public Distribution recommended that the sugar industry should be delicensed. Therefore, there are arguments for and against delicensing. But there is a general tenor. If it is delicensed, the distance criterion would not go. This is being implemented by the State Governments. Even if it is delicensed, the distance criterion would be there and it would be implemented by the respective State Governments.

SHRI V. NARAYANASAMY: Mr. Chairman, Sir, the hon. Minister has said that 836 items have been identified for production in the small-scale sector. Now, the investment limit in respect of the small-scale sector has been increased to Rs. 2.5 crores.

SHRI MURASOLI MARAN: No.

SHRI V. NARAYANASAMY: Please bear with me. According to my information, this has been increased. If that be the case, more items would come into the ambit of the small-scale sector and we have to give protection to the small-scale sector in respect of a large number of items. But Sir, we find that violations are taking place. Take, for example, the textiles sector where certain items have been reserved for the handloom industry, but in a modified form, the textile industry is manufacturing these very items. In spite of this no action has been taken against them. Norms have been flouted. Therefore, I would like to know from the hon. Minister whether strict measures would be taken to protect the industries in the small-scale sector which have been delicensed by the Government of India, where items have been reserved for production by the small-scale sector alone.

Then, Sir, the hon. Minister announced a modification of the policy after he assumed charge. There was opposition from their partners, the C.P.I. and the C.P.I.(M). In this connction, I would like to know from the hon. Minister whether he would reconsider the decision because these parties say that they have not been consulted before taking the decision.

SHRI MURASOLI MARAN: Sir, the investment limit which was fixed in 1991 in about Rs. 60 lakhs for small-scale industries and Rs. 75 lakhs for ancillary industries. This has not been changed. There are demands from many quarters that this limit should be raised to Rs. 2.5—3 crores. We are considering the matter.

In regard to his second question, I have not made any announcement regarding policy changes. There are certain suggestions. There is some loud thinking. That is all. We have no quarrel with our partners.

SHRI V. NARAYANASAMY: They have issued a statement. Let them say that they have not issued any statement.

SHRI MURASOLI MARAN: They would issue statements if it goes against the Common Minimum Programme. But nothing has been done against the Common Minimum Programme by my Ministry.

SHRI V. NARAYANASAMY: You are clarifying the position now.

SHRI MURASOLI MARAN: Because you have asked about it.

Lifting of Trade restrictions between India and Pakistan

*65. SHRI SANJAY DALMIA: Will the Minister of COMMERCE be pleased to state:

(a) whether Pakistan has come out in favour of lifting restrictions on trade with India;

(b) If so, the details of the items likely to be exported to Pakistan;

(c) whether Pakistan is trading with India through a third country; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) Government of India have not received any formal communication from Government of Pakistan on its lifting restrictions on trade with India.

(b) At present, Pakistan has permitted import of only 573 items from India. Items presently being exported from India to Pakistan include oil meals, dyes & chemicals, spices, iron ore, inorganic & organic chemicals, etc.

(c) and (d) Government of India have seen reports to the effect that Pakistan has been importing Indian goods through third countries. However, it is not possible to make any reliable assessment of the value and composition of such indirect trade.

SHRI SANJAY DALMIA: Sir, I would like to know from the hon. Minister as to which are the items, not covered under the present agreement between India and Pakistan, which are being imported by Pakistan from other countries. In regard to such items which are not produced in Pakistan, but which are being imported from countries other then India, would the Government of India take up the matter with Pakistan, in the joint interests of India and Pakistan, that such items should be imported from India and other SAARC countries? The same should be true for those items being imported into India; first preference should be given to the member- countries of SAARC.

SHRI BOLLA BULI RAMAIAH: Sir, as per the agreement with Pakistan, they have permitted 573 items for import from India. As and when Pakistan makes a request for certain things like sugar, potato and other items, we are giving them as a special case. The idea is that the producer in this country should also get the benefit out of it.

As the hon. Member has said, we are trying to arrive at an official understanding between our two Governments. But we have this problem. Through media, we are getting some information, but not officially. As soon as we have a dialogue with these people, we will try and see what best we can do. But if there is some problem still, we can use the GATT agreement, the WTO, and we can also take it up with the SAARC about what we have to do between our country and Pakistan.

SHRI SANJAY DALMIA: Sir, what I had asked was about items which are being imported into Pakistan and not made in Pakistan. I do not know why there should be a hitch if those items are imported from SAARC countries on first preference, including India. I do not know what the hitch is. If Pakistan is already importing them from anywhere else, what is the problem in Pakistan importing from India and other SAARC countries at concessional rates of duty or zero duty? That is what I was asking.

SHRI BOLLA BULLI RAMAIAH: We know that some of the items are going for trade between Pakistan and India through some third countries. We have got some information that it is done through Dubai and other places, but we do not have it officially. But unless we have some official delegation and understanding, we cannot say anything at this stagae.

SHRI SANJAY DALMIA: This information can easily be collected. From whatever is being imported, it can be just collected; it is not very difficult.

Any way, my second question and suggestion to the hon. Minister is, apart

from increasing trade between members of the SAARC countries, would the Government consider similar concessions or similar incentives for investment by business from 'A' country to 'B' country within the SAARC? For example, would the Government consider giving similar status to investors from SAARC countries, equal to NRI status, which is available for investment in India, on a reciprocal basis?

SHRI BOLLA BULI RAMAIAH: It is a good suggestion, and I think we will examine this issue carefully.

SHRI JOHN F. FERNANDES: Sir, the hon. Minister has stated that he is not aware whether there is any trade between our country and Pakistan through third countries. It is a fact that trade is going on through Dubai and Singapore. And we also know that illegal trade is going on across our borders, and it is basically in essential commodities like edible oils. I would like to know from the hon. Minister whether any steps are being taken by the SAARC countries and whether India has taken any initiative to have some trade delegation on the pattern of the ASEAN?

SHRI BOLLA BULI RAMAIAH: Sir, as I mentioned earlier, it is mainly due to to the media that we are getting some information, but not officially. However, recently, the Federation of Indian Chambers of Commerce and Industry had, at a SAPTA meeting in Pakistan, some sort of discussion on various issues, and we will try to see that we are able to go through very reliable methods as soon as our official talks take place...(*interruptions*)...

श्री मोहम्मद सलीम: सभापति महोदय, हमारे सब-कांटिनेंट की यह बदकिस्मती है कि जब हिंदुस्तान के खेत में गन्ना जलाया जा रहा है, उस समय पाकिस्तान को दुबई, लंदन औ वाशिंगटन के जरिए चीनी की खोज में निकलना पड़ रहा है। इसलिए हमारे सार्क कंट्रीज़ का बाई-लेट्रल ट्रेड बढ़ना चाहिए।

हर बार मंत्री महोदनय यह जवाब दे रहे हैं कि मीडिया से हमें कुछ मालूम हो रहा है, जब डिमांड आएगी तो हम देखेंगे। हम इतने बड़े लीडर हैं, हम लीडरशिप नहीं चाहते लेकिन हम लीडर हैं और इस बाई-लेट्रल ट्रेड में हमारा अपना इंट्रस्ट है और दूसरे कंट्रीज़ का भी इंट्रस्ट है। तो सरकार की इंटेलिजेंस एजेंसीज़ कुछ काम करती हैं कि कहां पर क्या रिक्वायरमेंट है? इल्लीगल ट्रेड खूब हो रहा है, स्मगलिंग हो रही है, उसको कर्ब करने के लिए आप कोई इनिशियेटिव लेंगे या नहीं?

[ ] Transliteration in Arabic Script.

Well, your suggestion is well taken and we will definitely consider it. But in the meanwhile, as we have said about sugar, we have recently allowed sugar to be exported to Pakistan from this country when they made a request, to help our production and our marketing strategy.

श्री भूपेन्द्र सिंह मान: सर, जब पाकिस्तान ने जो रुकावटें लगाई हुई थीं, वे लिफ्ट कीं तो हमारी सरकार की तरफ से ट्रेड खोलने में रुकावटें खड़ी की गईं। अखबार में आया कि अमृतसर से एग्रीकल्चर प्रोड्यूस भेजने के ऊपर रुकावटें लगाई गई हमारी सरकार की तरफ से। ये रुकावटें क्यों लगीं जब कि यह हमारे देश के हित में है कि बाई-लेट्रल ट्रेड शुरू किया जाए?

SHRI BOLLA BULI RAMAIAH: Well, as and when a request comes, we give them. On their request only we are giving them. Recently they asked for potatoes and tomatoes. When a request comes from Pakistan for various items of agriculture, we are definitely helping our producers so that they have the advantage of supplying these items and exporting them to Pakistan. It is only on Pakistan's request that we are doing it. On their willing to take them, we are obliging our people to supply them to those countries.

MR. CHAIRMAN: The Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

Production By Sugar Mills In Gujarat

*63. SHRI RAJUBHAI A. PARMAR:

Will the Minister of FOOD be pleased to state;

(a) the annual average production in sugar mills than the national average;

(b) whether the production of the State is less than the national average;

(c) if so, the total production, year-wise during the last three years as against the national average;

(d) the total quantity of sugarcane which is being made available to the aforesaid sugar mills each year as against the national average; and

(e) the steps taken by Government to bring the present production of sugarcane in Gujarat at par with the national average?

THE MINISTER OF FOOD AND THE MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLICE DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV): (a) and (b):— The annual production of sugar mills depends upon serveral factors, namely, installed capacity, price and availability of cane, number of days factories worked etc. The sugar season 1995-96 is still continuing. The latest annual average production of sugar mills is, therefore, available only in respect of 1994-95 season. The annual average production for the season 1994-95 of sugar factories in Gujarat was 0.42 lakh tonnes per factory as against All-India average for the corresponding period worked out 0.33 lakh tonnes per factory.

(c) and (d):— The information regarding the cane crushed and the yearwise production of sugar is as under:—